

**IT IS THE VENDOR'S RESPONSIBILITY TO CHECK
FOR ADDENDUMS PRIOR TO SUBMITTING PROPOSALS**

NOTICE TO BIDDERS SPECIFICATION NO. 06-135

The City of Lincoln intends to purchase and invites you to submit a sealed bid for:

ANNUAL REQUIREMENTS FOR TIRES AND TUBES

MEETING OR EXCEEDING THE CITY OF LINCOLN'S SPECIFICATIONS ATTACHED

Sealed bids will be received by the City of Lincoln, Nebraska on or before **12:00 noon Wednesday, April 19, 2006** in the office of the Purchasing Agent, Suite 200, K Street Complex, Southwest Wing, 440 South 8th Street, Lincoln, Nebraska 68508. Bids will be publicly opened and read at the K Street Complex.

Bidders should take caution if U.S. mail or mail delivery services are used for the submission of bids. Mailing should be made in sufficient time for bids to arrive in the Purchasing Division, prior to the time and date specified above. Bids may be downloaded from the City's website at www.lincoln.ne.gov Keyword: **Bid**

Prospective bidders must monitor the bid listing for any addendums. Late bids will not be considered. Fax or e-mail bids are not acceptable. Bid response must be in a sealed envelope.

PROPOSAL SPECIFICATION NO. 06-135

BID OPENING TIME: 12:00 NOON

DATE: April 19, 2006

The undersigned bidder, having full knowledge of the requirements of the City of Lincoln and County of Lancaster for the below listed items and the contract documents (which include Notice to Bidders, Instructions to Bidders, this Proposal, Specifications, Contract, and any and all addenda) and all other conditions of the Proposal, agrees to sell to the City and the County the Below listed items for the performance of this Specification, complete in every respect, in strict accordance with the contract documents at and for unit prices listed below.

THE ANNUAL REQUIREMENTS FOR: TIRES AND TUBES

BIDDING SCHEDULE

1. Tire Manufacturer: _____
2. Net State Price List No. _____, Dated _____
3. Discount Offered for tires not specifically addressed in the Bidding Schedule : Indicate % by group or attach discount schedule to this Proposal form.

3.1 Special High Performance (police pursuit)	_____ %	
3.2 Passenger Vehicle (auto and light truck)	_____ %	
3.3 Heavy Truck (class 6, 7 and 8 truck)	_____ %	
3.4 Off-The-Road (earth mover, grader)	_____ %	
3.5 Farm Specialty (ag. tractor)	_____ %	
3.6 Others: _____	_____ %	
4. Repair Service Charges:

	Reg. Time	/	After Hours
	<u>8 a.m. - 4:30 p.m. / Weekends, Holidays</u>		
4.1 Service Call - Round Trip:			
4.1.1 Automobile/Light Truck	\$ _____		\$ _____
4.1.2 Medium Truck	\$ _____		\$ _____
4.1.3 Industrial & Farm Tractor/ Trailer	\$ _____		\$ _____
4.1.4 Grader/Loader	\$ _____		\$ _____
4.1.5 Scraper	\$ _____		\$ _____
4.1.6 Off-the-Road Labor Rate	\$ _____/Hr.		\$ _____/Hr.
4.1.7 Other service or labor charges not listed above:			
	\$ _____		\$ _____
	\$ _____		\$ _____
4.2 Mileage Rate for Out-of-City:			
4.2.1 Automobile/Light Truck/ Medium Truck	_____ /Mi.		_____ /Mi.
4.2.2 Loader/Grader/Scraper	_____ /Mi.		_____ /Mi.

If “YES”, Contract supplier or suppliers may honor pricing and extend the contract to political sub-divisions, cities and counties. Terms and conditions of the contract must be met by political sub-divisions, cities and counties. Under no circumstances shall the City of Lincoln/Lancaster County be contractually obligated or liable for any purchases by these political sub-divisions, cities or counties.

COMPANY REPRESENTATIVE responsible for the administration of this Agreement:

NAME: _____
TITLE: _____
PHONE NO. _____

AFFIRMATIVE ACTION PROGRAM: Successful bidder will be required to comply with the provisions of the City's Affirmative Action Policy (Contract Compliance, Sec. 1.16). The Equal Opportunity Officer will determine compliance or non-compliance, upon a complete and substantial review of successful bidder's equal opportunity policies, procedures and practices.

The undersigned signatory for the bidder represents and warrants that he has full and complete authority to submit this proposal to the City/County, and to enter into a contract if this proposal is accepted.

NOTE:

RETURN 2 COMPLETE COPIES OF PROPOSAL AND SUPPORTING MATERIAL.

MARK OUTSIDE OF BID ENVELOPE AS FOLLOWS:

SEALED BID FOR SPEC. 06-135

COMPANY NAME

BY (Signature)

STREET ADDRESS or P.O. BOX

(Print Name)

CITY, STATE ZIP CODE

(Title)

TELEPHONE No. FAX No.

(Date)

TERMS OF PAYMENT

**ESTIMATED DELIVERY DAYS (After
receipt of individual orders)**

BIDS MAY BE INSPECTED IN THE PURCHASING DIVISION OFFICES DURING NORMAL BUSINESS HOURS, **AFTER** TABULATION BY THE PURCHASING AGENT. IF YOU DESIRE A COPY OF THE BID TABULATION TO BE MAILED TO YOU, YOU MUST ENCLOSE A **SELF-ADDRESSED STAMPED ENVELOPE** WITH YOUR BIDDING DOCUMENTS.

The Intent to Award will be listed on the website when a recommendation is received from the Department.

**SPECIFICATION NO. 06-135
BIDDING SCHEDULE
(FOR BID EVALUATION PURPOSES ONLY)**

I HEREBY CERTIFY THAT: All tires indicated herein are original equipment (O.E.) level, or better, as pertains to each equipment group.

COMPANY NAME _____

BY _____

AUTO AND LIGHT TRUCK

Item No.	Qty.	Ann. Tire Size	Manufacturer Trade Name	Contract Bid Price	+	Installation Charge	+	Balancing Charge	=	Installed Unit Bid Price	X Qty.	=	Total
1.	30	P195/70R14 All Season-SL	_____	_____		_____		_____		_____			_____
2.	16	P185/60R15 All Season-SL	_____	_____		_____		_____		_____			_____
3.	20	P215/60R15 All Season-SL	_____	_____		_____		_____		_____			_____
4.	50	P215/65R15 All Season-SL	_____	_____		_____		_____		_____			_____
5.	30	P235/75R15 All Season-XL	_____	_____		_____		_____		_____			_____
6.*	12	P235/70R15-97V All Season	_____	_____		_____		_____		_____			_____
7.*	450	P225/60R16-97V All Season	_____	_____		_____		_____		_____			_____
8.*	80	P235/55R17-97V All Season	_____	_____		_____		_____		_____			_____

* Indicates Special High Performance Speed Rated Tires

AUTO AND LIGHT TRUCK

Item No.	Qty.	Ann. Tire Size	Manufacturer Trade Name	Contract Bid Price	+	Installation Charge	+	Balancing Charge	=	Installed Unit Bid Price	X Qty.	=	Total
9.	25	LT225/75R16 M/S LRE	_____	_____		_____		_____		_____			_____
10.	50	LT225/75R16 All Season LRE	_____	_____		_____		_____		_____			_____
11.	40	LT235/85R16 M/S LRE	_____	_____		_____		_____		_____			_____
12.	60	LT235/85R16 All Season LRE	_____	_____		_____		_____		_____			_____
13.	50	LT245/75R16 All Season LRE	_____	_____		_____		_____		_____			_____
14.	30	225/70R19.5 All Season LRF	_____	_____		_____		_____		_____			_____

HEAVY TRUCK

Item No.	Qty.	Ann. Tire Size	Manufacturer Trade Name	Contract Bid Price	+	Installation Charge	+	Balancing Charge	=	Installed Unit Bid Price	X Qty.	=	Total
15.	75	11R22.5 Highway LRG	_____	_____		_____		_____		_____			_____
16.	125	11R22.5 Traction LRG	_____	_____		_____		_____		_____			_____
17.	75	11R22.5 Highway LRH	_____	_____		_____		_____		_____			_____
18.	125	11R22.5 Traction LRH	_____	_____		_____		_____		_____			_____

GRADER

Item No.	Qty.	Ann. Tire Size	Manufacturer Trade Name	Contract Bid Price	+	Installation Charge	+	Balancing Charge	=	Installed Unit Bid Price	X Qty.	=	Total
19.	40	14.00R24-1* Tubeless G2	_____	_____		_____		N/A		_____			_____
20.	12	14.00-24-12 Ply Tubeless G2	_____	_____		_____		N/A		_____			_____

LOADER

Item No.	Qty.	Ann. Tire Size	Manufacturer Trade Name	Contract Bid Price	+	Installation Charge	+	Balancing Charge	=	Installed Unit Bid Price	X Qty.	=	Total
21.	20	20.5-25-12 Ply Tubeless L2	_____	_____		_____		N/A		_____			_____
22.	10	19.5-24-12 Ply Tubeless R4	_____	_____		_____		N/A		_____			_____
23.	2	650/65R-1* Tubeless L3	_____	_____		_____		N/A		_____			_____

TRAILER

Item No.	Qty.	Ann. Tire Size	Manufacturer Trade Name	Contract Bid Price	+	Installation Charge	+	Balancing Charge	=	Installed Unit Bid Price	X Qty.	=	Total
24.	20	ST225/75R15 Highway LRD	_____	_____		_____		_____		_____			_____

SCRAPER

Item No.	Qty.	Ann. Tire Size	Manufacturer Trade Name	Contract Bid Price	+	Installation Charge	+	Balancing Charge	=	Installed Unit Bid Price	X Qty.	=	Total
25.	2	33.25R25- 2* Tubeless E3	_____	_____		_____		N/A		_____			_____

Total, Items 1 thru 25**\$ _____**

SPECIFICATION NO. 06-135
FOR
TIRES AND TUBES

1. ALL TIRES, TUBES GENERAL

- 1.1 Shall be of quality not lower than tires and tubes normally furnished in representative quantities by Original Equipment Manufacturers as original equipment for automobiles, trucks, tractors, bus and similar motor vehicles and all passenger tires shall conform to MVSS-109.
- 1.2 **For bidding purposes, only stated tires are pre-approved: Michelin, BF Goodrich, Uniroyal, Goodyear, Dunlop, General, Continental, Firestone, Yokohama, Bridgestone and Kelly Springfield.**
- 1.3 Bids may be provided for other brands produced by Major Tire Manufacturers which do not appear on the above stated list.
 - 1.3.1 Bidders quoting tires "equal to" brands stated will submit with their bid a certificate with authorized signature of the Tire Manufacturer stating the products offered meeting all specifications of the Original Equipment used by vehicle manufacturers.
- 1.4 The acceptance of "equal to" brands stated will be determined solely by the City/County.
- 1.5 All tires must have size, load range, manufacturer's name and D.O.T number, serial number, and indication of body material, molded in side-wall at time of cure.

2. TUBES

- 2.1 All inner tubes shall be standard production first line, heavy duty, butyl tubes or natural rubber of fresh stock and of current manufacture.

3. WARRANTY

- 3.1 The manufacture's published and latest warranty for all types of tires or tire groups shall apply to all tires purchased by the City/County.
- 3.2 A copy of the Manufacture's published warranty(s) must accompany your bid.
- 3.3 The contractor must be authorized by the tire manufacturer to execute such warranty(s).

4. QUALITY CONTROL

- 4.1 The manufacturer must have a quality control system that provides sufficient testing and control to assure DOT specifications to the satisfaction of the City/County.
 - 4.1.1 The successful bidder(s) may be asked to make available to the City/County the results of quality control tests and all quality control standards, which would indicate that an acceptable tire quality level is to be maintained throughout the life of the contract.
 - 4.1.2 Field measurements to determine compliance with the requirements in these specifications may be made by the using Agency.
 - 4.1.3 Tires not within these specifications will be returned as defective.

5. INSPECTION

- 5.1 The tires furnished under these specifications will be inspected and tested as deemed necessary to insure compliance with such specifications.

6. TUBE AND VALVE REQUIREMENTS

- 6.1 All tubes shall be boxed, or wrapped, with content and size shown on each container.
- 6.2 No tube furnished shall be older than (15) months from date of manufacture.

7. AUTHORIZED DISTRIBUTOR

- 7.1 Contractor(s) must be an Authorized Distributor or a rubber company owned store(s) or outlet(s) for the tires being furnished under this specification to the City/County.
- 7.2 Contractor must submit with their bid a certificate with authorized signature of the Tire Manufacturer stating the contractor to be an Authorized Distributor for each brand of tire referenced on their bid proposal.
 - 7.2.1 Failure to submit this at time of bid opening may be grounds for immediate rejection.
 - 7.2.1 Submitting a false Authorization will result in immediate rejection
- 7.3 Contractor(s) must have adequate service center(s) throughout the City/County from which tires and tubes and service (mounting and balancing) thereto may be purchased by all City/County agencies.

8. PRODUCT SUBSTITUTION OR DISCONTINUED PRODUCT REPLACEMENT

- 8.1 The contractor will make no changes in brand or model bid or lower these specifications as to, materials, composition, construction, tolerances, size, tread or guarantee of tire or tube throughout the contract period, unless approved in writing by the City of Lincoln, Purchasing Division, prior to such change.

9. SERVICE REQUIREMENTS

- 9.1 Contractor shall be qualified and equipped to mount new tires and tubes and to repair flats, at the contractor's shop facility, at City/County shop facilities and in the field.
- 9.2 Most service work required will be performed during normal working hours, Monday through Friday, between the hours of 8:00 a.m. and 4:00 p.m.
 - 9.2.1 Service during evening, weekend and holiday hours as observed by the City/County will also be required.
 - 9.2.2 Specify your normal response time for field service calls on the Proposal Form.
 - 9.2.3 It is desired that service response time for field repairs for scraper tires at the Sanitary Landfill be not greater than two (2) hours from notification by the City.
- 9.3 The Vendor MUST submit an Insurance Certificate of Accord meeting ALL requirements listed in the attached Insurance requirements before a contract will be signed.
- 9.4 Charges for flat repairs, mount/dismounts and tire rotations as indicated on the Proposal Form shall be inclusive of all shop supply costs and environmental charges, and such shop supplies and environmental charges shall not be shown as additional charges on the invoice.
 - 9.4.1 Bidders shall submit off-road tire repair price sheet with their Proposal Form.
 - 9.4.1.1 Price sheet shall indicate the repair charges for section repairs, reinforcement repairs and spot repairs, categorized by tire cross section and ply rating.
 - 9.4.1.2 Bidders shall indicate on the proposal form any applicable discount to be applied against and deducted from the off-road tire repair price sheet.

- 9.4.2 Contractor shall provide the department with cost estimate of repairs for off-road tires and secure the department's verbal approval before effecting repairs.
- 9.5 Tire service and repair invoices shall contain the following information:
 - 9.5.1 City or County equipment number.
 - 9.5.2 Equipment description.
 - 9.5.3 Tire size and identification (ie: 33.25R29-2* scraper).
 - 9.5.4 Accurate description of work performed (ie: rotation, mount/dismount, section repair).
 - 9.5.5 If service and repair charges for more than one piece of equipment are included on the same invoice, charges must be categorized by City/County equipment number.
 - 9.5.6 No charges for tire service and repair will be authorized which are not included on the Proposal Form or attachments.

10. TIRE RECOVERY REQUIREMENT

- 10.1 Contractor shall be responsible for pick-up and disposal or recycling in accordance with state and local regulations, of the carcasses which are replaced by tires purchased from the contractor.
 - 10.1.1 The contractor is not responsible for any other existing carcasses currently in possession of the City/County.
 - 10.1.2 Tire prices shall be inclusive of any disposal or recycling costs; and such costs shall not be shown as separate items on the invoice.
- 10.2 The City/County may retain any tire carcass deemed to be of value by the City/County.
- 10.3 The contractor shall participate in any tire recovery program which develops, that diverts tires from Lincoln's Sanitary Landfill.

11. BID SUBMITTALS

- 11.1 Bidders shall submit as part of their bid proposal their manufacturer's Net State Price List.
 - 11.1.1 The Net State Price List submitted with the bid will be the basis of pricing for the term of agreement.
- 11.2 Bid proposals must indicate a definite, firm discount schedule effective for the contract period.
 - 11.2.1 If multiple discount structures are submitted, your bid proposal form must clearly indicate each discount and the corresponding line of tires/tubes to which each discount applies, and the Net State Price List submitted with the bid proposal shall be marked accordingly.
 - 11.2.2 The discount schedule will be applied against and deducted from the Net State Price List to arrive at the contract price.
- 11.3 Bidder shall indicate on the Proposal Form the name and telephone number of the bidder's representative responsible for the administration of this agreement.
 - 11.3.1 **NOTE:** Contractor agrees to notify the Purchasing Agent of any change of bidder's representative during the term of the agreement.
- 11.4 Bidders shall submit proof of being an Authorized Distributor for each brand of tire bid.
- 11.5 "Equal to" manufacturers certificate if non-stated brands are bid. (see item 1.3)

12. BID EVALUATION AND AWARD

- 12.1 Due to the diversity of the types of equipment with their various fleets, the City/County reserve the right to award multiple contracts, in order to ensure adequate tire and service availability.
 - 12.1.1 Purchases of tires, tubes and service during the term of the agreement will be made by the various agencies giving consideration to product availability, service availability, ability to match existing tire tread design and price.

13. TERM OF AGREEMENT

- 13.1 One (1) year, May 01, 2006 through April 31, 2007; with options to renew for two (2) additional one-year terms.
- 13.2 See Special Provisions for Commodity Term Contracts, Section 2, Contract Period for terms and conditions regarding renewals.

14. SPECIAL HIGH PERFORMANCE TIRES, ALL TYPES

- 14.1 These specifications cover high-speed tires intended for use on Law Enforcement vehicles.
 - 14.1.1 These vehicles are full size, heavy sedans operated routinely at speeds in excess of 100 miles per hour, and under a wide range of conditions including ambient temperatures up to 110 degrees.
- 14.2 Tires **must** meet Original Equipment Manufacturer's specifications.
- 14.3 Tires **must** have Service Description (except Z-speed rated tires) following the tire size.
- 14.3 High-speed tires supplied under these specifications shall be new, standard production tires expressly designed for high speed operation.
 - 14.3.1 Manufacturer will provide certification as required.
 - 14.3.2 Tires must exhibit exceptional safety, stability, handling, and stopping characteristics during high-speed maneuvers.
- 14.4 Tires supplied must meet all laboratory test and size requirements of Federal Standards MVSS 109, and marked with "DOT" compliance symbol.
 - 14.4.1 Tires must meet 150% of DOT minimum plunger energy value.

15. PASSENGER VEHICLE TIRES, ALL TYPES

- 15.1 These specifications cover passenger tires for use on City/County passenger vehicles.
- 15.2 All tires and tubes furnished hereunder shall be current production tires of the latest design and construction.
 - 15.2.1 The tires shall be recognized in the industry as no less than one (1) line, first grade, first line tires and shall be of no lower quality than normally furnished in representative quantities as Original Equipment for new automobiles pick-up trucks and similar vehicles.
- 15.3 Tires shall be all sizes manufactured to be tube type or tubeless, highway or mud and snow type treads, have black sidewalls, standard load.
 - 15.3.1 Tread, circumference and lateral and radial run-out to be equal to the brands stated.
 - 15.3.2 Any tire requiring more than six (6) ounces of counter balance weights to properly balance that tire when initially mounted is not acceptable.

16. HEAVY TRUCK TIRES, ALL TYPES

- 16.1 These specifications cover heavy truck tires intended for use on various configuration City/County trucks.

- 16.2 All tires and tubes furnished hereunder shall be current production tires of the latest design and construction.
- 16.3 The tires shall be recognized in the industry as no less than one (1) line, first grade, first line tires and shall be of no lower quality than normally furnished in representative quantities as Original Equipment for new Class 6, 7 and 8 trucks.
- 16.4 Tires to have sufficient casing quality to assure they are suitable for retread at the end of the tire's new-tread service life (abnormal wear and cuts excluded).

17. OFF THE ROAD TIRES, ALL TYPES

- 17.1 These specifications cover earth moving and excavating, special service, grader, industrial tractor and implement vehicle tires intended for use on various City/County Off-The-Road equipment.
- 17.2 Off-The-Road tires supplied under these specifications shall be new, standard production tires and shall be **only brands stated in 1.2**, equal to or superior in every respect to tires normally furnished as Original Equipment for similar equipment.
- 17.3 The tires shall be all sizes manufactured, tube or tubeless type, with tread design as required and of minimum load range (ply rating) as suggested by the equipment manufacturer.

INSTRUCTIONS TO BIDDERS

CITY OF LINCOLN, NEBRASKA

PURCHASING DIVISION

1. BIDDING PROCEDURE

- 1.1 Bidder shall submit one (1) complete set of the bid documents and all supporting material, unless otherwise stipulated. All appropriate blanks shall be completed. Any interlineation, alteration or erasure on the specification document shall be initialed by the signer of the bid. Bidder shall not change the proposal form nor make additional stipulations on the specification document. Any amplified or qualifying information shall be on the bidder's letterhead and firmly attached to the specification document.
- 1.2 Bid prices shall be submitted on the Proposal Form included in the bid document.
- 1.3 Bidders may submit a bid on an "all or none" or "lump sum" basis, but should also submit a quotation on an item-by-item basis. Bidding documents shall be clearly marked indicating the kind of proposal being submitted.
- 1.4 Each bid must be legibly printed in ink or typed, include the full name, business address, and telephone number of the bidder; and be signed in ink by the bidder.
- 1.5 A bid by a firm or organization other than a corporation must include the name, address, fax number and email address of each member.
- 1.6 A bid by a corporation must be signed in the name of such corporation by a duly authorized official thereof.
- 1.7 Any person signing a bid for a firm, corporation, or other organization must show evidence of his authority so to bind such firm, corporation, or organization.
- 1.8 Bids received after the time and date established for receiving bids will be rejected.

2. BIDDER'S SECURITY

- 2.1 Bid security, as a guarantee of good faith, in the form of a certified check, cashier's check, or bidder's bond, may be required to be submitted with this bid document, as indicated on the Proposal Form.
- 2.2 If alternates are requested, only one bid security will be required, provided the bid security is based on the amount of the highest gross bid.
- 2.3 Such bid security will be returned to the unsuccessful bidders when the award of bid is made.
- 2.4 Bid security will be returned to the successful bidder(s) as follows:
 - 2.4.1 For single order bids with specified quantities: upon the delivery of all equipment or merchandise, and upon final acceptance by the City.
 - 2.4.2 For all other contracts: upon approval by the City of the executed contract and bonds.
- 2.5 City shall have the right to retain the bid security of bidders to whom an award is being considered until either:
 - 2.5.1 A contract has been executed and bonds have been furnished.
 - 2.5.2 The specified time has elapsed so that the bids may be withdrawn.
 - 2.5.3 All bids have been rejected.
- 2.6 Bid security will be forfeited to the City as full liquidated damages, but not as a penalty, for any of the following reasons, as pertains to this specification document:
 - 2.6.1 If the bidder fails to deliver the equipment or merchandise in full compliance with the accepted proposal and specifications.
 - 2.6.2 If the bidder fails or refuses to enter into a contract on forms provided by the City, and/or if the bidder fails to provide sufficient bonds or insurance within the time period as established in this specification document.

3. BIDDER'S REPRESENTATION

- 3.1 Each bidder by signing and submitting a bid, represents that the bidder has read and understands the specification documents, and the bid has been made in accordance therewith.
- 3.2 Each bidder for services further represents that the bidder has examined and is familiar with the local conditions under which the work is to be done and has correlated the observations with the requirements of the bid documents.

4. CLARIFICATION OF SPECIFICATION DOCUMENTS

- 4.1 Bidders shall promptly notify the Purchasing Agent of any ambiguity, inconsistency or error which they may discover upon examination of the specification documents.

- 4.2 Bidders desiring clarification or interpretation of the specification documents shall make a written request which must reach the Purchasing Agent at least four (4) calendar days prior to the date and time for receipt of bids.
- 4.3 Changes made to the specification documents will be made by written addenda to all known prospective bidders.
- 4.4 Oral interpretations or changes to the Specification Documents made in any other manner, will not be binding on the City; and bidders shall not rely upon such interpretations or changes.

5. ADDENDA

- 5.1 Addenda are additional documents issued by the City to prospective Bidders prior to the closing date for receipt of bids, which are intended to change or clarify the original plans and/or specifications., i.e. additions, deletions, modifications, or explanations.
- 5.2 Addenda will be mailed or delivered to all who are known by the City to have received a complete set of specification documents.
- 5.3 Copies of addenda will be made available for inspection at the office of the Purchasing Agent.
- 5.4 No addendum will be issued later than forty-eight (48) hours prior to the date and time for receipt of bids, except an addendum withdrawing the invitation to bid, or an addendum which includes postponement of the bid.
- 5.5 Bidders shall ascertain prior to submitting their bid that they have received all addenda issued, and they shall acknowledge receipt of addenda on the proposal form.

6. ANTI-LOBBYING PROVISION

- 6.1 During the period between the bid advertisement date and the contract award, bidders, including their agents and representatives, shall not lobby or promote their bid with any member of the City Council or City Staff.

7. BRAND NAMES

- 7.1 Wherever in the specifications or proposal form brand names, manufacturer, trade name, or catalog numbers are specified, it is for the purpose of establishing a grade or quality of material only; and the term "or equal" is deemed to follow.
- 7.2 It is the bidder's responsibility to identify any alternate items offered in the bid, and prove to the satisfaction of the City that said item is equal to, or better than, the product specified.
- 7.3 Bids for alternate items shall be stated in the appropriate brand on the proposal form, or if the proposal form does not contain blanks for alternates, bidder MUST attach to the specification documents on Company letterhead a statement identifying the manufacturer and brand name of each proposed alternate, plus a complete description of the alternate items including illustrations, performance test data and any other information necessary for an evaluation. The bidder must indicate any variances by item number from the specification document no matter how slight. Bidder must fully explain the variances from the specification document, since brochure information may not be sufficient.
- 7.4 If variations are not stated in the proposal, it will be assumed that the item being bid fully complies with the City's specifications.

8. DEMONSTRATIONS/SAMPLES

- 8.1 Bidders shall demonstrate the exact item(s) proposed within seven (7) calendar days from receipt of such request from the City.
- 8.2 Such demonstration can be at the City delivery location or a surrounding community.
- 8.3 If the bidder is proposing an alternate product, the City may request a sample of the exact item. Samples will be returned at bidder's expense after receipt by the City of acceptable goods. Bidders must indicate how samples are to be returned.

9. DELIVERY (Non-Construction)

- 9.1 Each bidder shall state on his proposal form the date upon which he can make delivery of all equipment or merchandise. Time required for delivery is hereby made an essential element of the bid.
- 9.2 The City reserves the right to cancel orders, or any part thereof, without obligation, if delivery is not made within the time(s) specified on the proposal form.
- 9.3 All bids shall be based upon **inside** delivery of the equipment/ merchandise F.O.B. the City at the location specified by the City, with all transportation charges paid.

10. WARRANTIES, GUARANTEES AND MAINTENANCE

- 10.1 Copies of the following documents must accompany the bid proposal for all items being bid:
 - 10.1.1 Manufacturer's warranties and/or guarantees.
 - 10.1.2 Bidder's maintenance policies and associated costs.
- 10.2 As a minimum requirement of the City, the bidder will guarantee in writing that any defective components discovered within a one (1) year period after the date of acceptance shall be replaced at no expense to the City. Replacement parts of defective components shall be shipped at no cost to the City. Shipping costs for defective parts required to be returned to the bidder shall be paid by the bidder.

11. ACCEPTANCE OF MATERIAL

- 11.1 All components used in the manufacture or construction of materials, supplies and equipment, and all finished materials, shall be new, the latest make/model, of the best quality, and the highest grade workmanship.
- 11.2 Material delivered under this proposal shall remain the property of the bidder until:
 - 11.2.1 A physical inspection and actual usage of this material is made and found to be acceptable to the City; and
 - 11.2.2 Material is determined to be in full compliance with the specifications and accepted proposal.
- 11.3 In the event the delivered material is found to be defective or does not conform to the specification documents and accepted proposal, then the City reserves the right to cancel the order upon written notice to the bidder and return materials to the bidder at bidder's expense.
- 11.4 Successful bidder shall be required to furnish title to the material, free and clear of all liens and encumbrances, issued in the name of the City of Lincoln, Nebraska, as required by the specification documents or purchase orders.
- 11.5 Selling dealer's advertising decals, stickers or other signs shall not be affixed to equipment. Vehicle mud flaps shall be installed blank side out with no advertisements. Manufacturer's standard production forgings, stampings, nameplates and logos are acceptable.

12. BID EVALUATION AND AWARD

- 12.1 The signed bid proposal shall be considered an offer on the part of the bidder. Such offer shall be deemed accepted upon issuance by the City of purchase orders, contract award notifications, or other contract documents appropriate to the work.
- 12.2 No bid shall be modified or withdrawn for a period of ninety (90) calendar days after the time and date established for receiving bids, and each bidder so agrees in submitting the bid.
- 12.3 In case of a discrepancy between the unit prices and their extensions, the unit prices shall govern.
- 12.4 The bid will be awarded to the lowest responsible, responsive bidder whose proposal will be most advantageous to the City, and as the City deems will best serve its requirements.
- 12.5 The City reserves the right to accept or reject any or all bids; to request rebids; to award bids item-by-item, with or without alternates, by groups, or "lump sum"; to waive minor irregularities in bids; such as shall best serve the requirements and interests of the City.
- 12.6 In order to determine if the Bidder has the experience, qualifications, resources and necessary attributes to provide the quality workmanship, materials and management required by the plans and specifications, the Bidder may be required to complete and submit additional information as deemed necessary by the City. Failure to provide the information requested to make this determination may be grounds for a declaration of non-responsive with respect to the Bidder.
- 12.7 The City reserves the right to reject irregular bids that contain unauthorized additions, conditions, alternate bids, or irregularities that make the Bid Proposal incomplete, indefinite or ambiguous.

13. INDEMNIFICATION

- 13.1 The bidder shall indemnify and save harmless the City of Lincoln, Nebraska from and against all losses, claims, damages, and expenses, including, attorney's fees arising out of or resulting from the performance of the contract that results in bodily injury, sickness, disease, death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom

and is caused in whole or in part by the Bidder, any subcontractor, any directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. This section will not require the Bidder to indemnify or hold harmless the City of Lincoln for any losses, claims damages, and expenses arising out of or resulting from the sole negligence of the City of Lincoln, Nebraska.

- 13.2 In any and all claims against the City or any of its members, officers or employees by an employee of the bidder, any subcontractor, anyone directly or indirectly employed by any of them or by anyone for whose acts made by any of them may be liable, the indemnification obligation under paragraph 13.1 shall not be limited in any way by any limitation of the amount or type of damages, compensation or benefits payable by or for the bidder or any subcontractor under worker's or workmen's compensation acts, disability benefit acts or other employee benefit acts.

14. TERMS OF PAYMENT

- 14.1 Unless stated otherwise, the City will begin processing payment within thirty (30) calendar days after all labor has been performed and all equipment or other merchandise has been delivered, and all such labor and equipment and other materials have met all contract specifications.

15. LAWS

- 15.1 The Laws of the State of Nebraska shall govern the rights, obligations, and remedies of the Parties under this proposal and any agreement reached as a result of this process.
- 15.2 Bidder agrees to abide by all applicable State and Federal laws and regulations concerning the handling and disclosure of private and confidential information concerning individuals and corporations as to inventions, copyrights, patents and patent rights.

16. AFFIRMATIVE ACTION

- 16.1 The City of Lincoln-Lancaster County Purchasing Division provides equal opportunity for all bidders and encourages minority businesses and women's business enterprises to participate in our bidding process.

17. LIVING WAGE

- 17.1 The bidders agree to pay all employees employed in the performance of this contract, a base wage of not less than the City Living Wage per section 2.81.010 of the Lincoln Municipal Code. This wage is subject to change every July.

18. EXECUTION OF AGREEMENT

- 18.1 Depending on the type of service provided, one of the following three (3) methods will be employed. The method applicable to this contract will be checked below:
 - ☐ a. This Contract shall consist of a **PURCHASE ORDER** and a copy of the suppliers signed bid (or referenced bid number) attached and that the same, in all particulars, becomes the agreement and contract between the parties hereto: that both parties thereby accept and agree to the terms and conditions of said bid documents, and that the parties are bound thereby and the compensation to be paid the Supplier is as set forth in the Supplier's Bid. Items not awarded, if any, have been deleted.
 - ☒ b. The contract shall consist of a **YEARLY AGREEMENT** and a copy of the suppliers signed bid attached and that the same, in all particulars, becomes the agreement and contract between the parties hereto. That both parties thereby accept and agree to the terms and conditions of said bid documents, and that the parties are bound thereby and the compensation to be paid the Supplier is as set forth in the Suppliers' Bid. Items not awarded, if any, have been deleted.
 - ☐ c. Three (3) copies of the **CONTRACT**, unless otherwise noted.
 - 1. City will furnish three (3) copies of the Contract to the successful Bidder who shall prepare attachments as required. Insurance as evidenced by a Certificate of Insurance, surety bonds properly executed, and Agreement signed with the date of signature shall be attached.
 - 2. The prepared documents shall be delivered to the City within 10days (unless otherwise noted).
 - 3. The City will sign the Contract Agreement, insert the date of signature at the beginning of the Contract Agreement, prepare an Executive Order to go the Mayor for signature.
 - 4. Upon approval and signature from the Mayor, the City will return one copy to the Contractor.

INSURANCE REQUIREMENTS FOR ALL CITY CONTRACTS

1. GENERAL PROVISIONS

- A. **Indemnification.** The Contractor shall indemnify and save harmless the City of Lincoln, Nebraska from and against all losses, claims, damages, and expenses, including attorney's fees, arising out of or resulting from the performance of the contract that results in bodily injury, sickness, disease, death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom and is caused in whole or in part by the Contractor, any subcontractor, any directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. This section will not require the Contractor to indemnify or hold harmless the City of Lincoln for any losses, claims, damages, and expenses arising out of or resulting from the sole negligence of the City of Lincoln, Nebraska.
- B. **Approved Coverage Prior to Commencing Work/Subcontractors Included.** Contractor shall purchase and maintain in place insurance to Protect Contractor and City against all liabilities and hazards as provided in this article throughout the duration of the Contract. Contractor shall not commence work under this contract until the Contractor has obtained all insurance required under this Section and such insurance has been approved by the City Attorney for the City of Lincoln, nor shall the Contractor allow any subcontractor to commence work on any subcontract until all similar insurance required of the subcontractor has been so obtained and approved.
- C. **Occurrence Basis Coverage.** All insurance shall be provided on an **occurrence basis** and not on a claims made basis, except for hazardous materials, errors and omissions, or other coverage not reasonably available on an occurrence basis; provided that all such claims made coverage is subject to the prior written approval of the City Attorney and must be clearly indicated as such in any certificate showing coverage.
- D. **Authorized and Rated Insurers Required.** All insurance coverage are to be placed with insurers authorized to do business in the State of Nebraska and must be placed with an insurer that has an A.M. Best's Rating of no less than A:VII unless specific approval has been granted by the City Attorney.
- E. **Certificates Showing Coverage.** All certificates of insurance shall be filed with the City Attorney, and may utilize an appropriate standard ACORD Certificate of Insurance form showing the specific limits of insurance coverage required by this Article; provided that restrictions, qualifications or declarations inconsistent with the requirements of this Article shall not relieve the Contractor from providing insurance as required herein. Such certificates shall show the City of Lincoln as additional insured, including by specific endorsement where necessary, as indicated in the following requirements. Such certificate shall specifically state that the related insurance policies are to be endorsed to require the insurer to provide the City of Lincoln thirty days, notice of cancellation, non-renewal or any material reduction in the stated amounts or limits of insurance coverage.
- F. **Terminology.** The terms "insurance," "insurance policy," or "coverage" as used in this article are used interchangeably and shall have the same meaning as "insurance" unless the context clearly requires otherwise. References to "ISO®" forms are merely for convenience and ease of reference, and an equivalent or better form as determined acceptable by the City Attorney may be used. (Note: ISO® is a registered trademark of ISO Properties, Inc.)

2. INSURANCE REQUIREMENTS

- A. **Scope of Required Coverage.** The Contractor shall take out and maintain during the life of Contract such insurance in the forms and minimum amounts as specified in this Article and as will protect Contractor and City from the following claims arising out of or resulting from or in connection

with the Contractor's operations, undertakings or omissions directly or indirectly related to the Contract, whether by the Contractor or any Subcontractor or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- (1) Claims under workers' compensation, disability benefit, or other employee benefit acts;
- (2) Claims arising out of bodily injury, occupational sickness or disease, or death of an employee or any other person;
- (3) Claims customarily covered under personal injury liability coverage;
- (4) Claims other than to the work itself arising out of an injury to or destruction of tangible property, including the loss of use resulting therefrom;
- (5) Claims arising out of ownership, maintenance or use of any motor vehicle;
- (6) Railroad protective liability coverage in the event the contract involves work to be performed within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing.

- B. Worker's Compensation Insurance and Employer's Liability Insurance.** The Contractor shall provide applicable statutory Worker's Compensation Insurance with minimum limits as provided below covering all Contractor's employees, and in the case of any subcontracted work, the Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for Subcontractor's employees.

The Contractor shall provide Employer's Liability Insurance with minimum limits as provided below placed with an insurance company authorized to write such insurance in all states where the Contractor will have employees located in the performance of this contract, and the Contractor shall require each Subcontractor similarly to maintain Employer's Liability Insurance on the Subcontractor's employees.

Coverage	Listing	Min Amt	Notes
Worker's Comp.			
	State	Statutory	
	Applicable Federal	Statutory	
Employer's Liability			
	Bodily Injury by accident	\$500,000	each accident
	Bodily Injury by disease	\$500,000	each employee
	Bodily Injury	\$500,000	policy limit

C. Commercial General Liability Insurance.

- (1) The Contractor shall provide Commercial General Liability Insurance in a policy form providing no less comprehensive and no more restrictive coverage than provided under the ISO® form CG00010798 or newer with standard exclusions "a" through "o" and with minimum limits as provided below. Any other exclusions that operate to contradict or materially alter the standard exclusions shall be specifically listed on the certificate of insurance and shall be subject to the prior written approval of the City Attorney.

Coverage	Min Amt	Notes
General	\$2,000,000	Aggregate
Products and Completed Operations	\$2,000,000	Aggregate
Personal and Advertising Injury	\$1,000,000	
Each Occurrence	\$1,000,000	
Fire Damage Limit	\$ 100,000	any one fire
Medical Damage Limit	\$ 10,000	any one person

(2) The required Commercial General Liability Insurance shall also include the following:

- Coverage for all premises and operations
- Endorsement to provide the general aggregate per project endorsement
- Personal and advertising injury included
- Operations by independent contractors included
- Contractual liability coverage included
- X.C.U. Coverage including coverage for demolition of any building or structure, collapse, explosion, blasting, excavation and damage to property below the surface of ground.
- Any fellow employee exclusions shall be deleted
- Coverage shall not contain an absolute pollution exclusion, and applicable remaining coverage shall apply for pollution exposures arising from products and completed operations.
- Coverage for products and completed operations maintained for duration of work and shall be maintained for a minimum of three years after final acceptance under the Contract or the warranty period for the same whichever is longer, unless modified in any Special Provisions.
- Contractual Liability coverage shall include contractually assumed defense costs in addition to any policy limits.

(3) If work is to be performed within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing, Railroad Contractual Liability Endorsement (ISO® form CG24170196 or newer).

(4) City may at its sole option, and in lieu of being additional insured on the Contractor's policy, by written requirement in the Special Provisions or by written change order, require Contractor to provide a separate Owner's Protective liability policy. The premium cost to obtain such insurance shall be as paid as provided in the Special Provision or change order, with any related cost savings as reasonably determined by the City being reimbursed or paid to the City.

D. Vehicle liability insurance coverage.

- The Contractor shall provide reasonable insurance coverage for all owned, non-owned, hired and leased vehicles with specific endorsements to include contractual liability coverage and delete any fellow employee exclusion.
- If specifically required in the Special Provisions, the required coverage shall also include an endorsement for auto cargo pollution (ISO® form CA 99 48).

E. Railroad Protective Liability. If work is to be performed within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing or otherwise required by the Special Provisions or applicable requirements of an affected railroad, the Contractor shall provide Railroad Protective Liability Insurance naming the affected railroad/s as insured with

minimum limits for bodily injury and property damage of \$2,000,000 per occurrence, \$6,000,000 aggregate, or such other limits as required in the Special Provisions or by the affected railroad. The original of the policy shall be furnished to the railroad and a certified copy of the same furnished to the City Attorney's office prior to any related construction or entry upon railroad premises by the Contractor or for work related to the Contract.

- F. **Umbrella or Excess Insurance.** The Contractor shall provide Umbrella or Excess insurance coverage with minimum coverage limits of \$3,000,000 each occurrence and aggregate.
- G. **City included as Insured on Contractor's Policy – Endorsements required.**
The Contractor shall provide adequate written documentation, including applicable ACORD certificates, declarations pages or other acceptable policy information demonstrating that the City is included as an additional insured along with the Contractor with respect to all of the coverages required in this "Section 2A Insurance Requirements," except for applicable Worker's Compensation coverage, to include all work performed for the City and specifically including, but not limited to, any liability caused or contributed to by the act, error, or omission of the Contractor, including any related subcontractors, third parties, agents, employees, officers or assigns of any of them. The documentation or endorsement shall specifically include the city as an additional insured for purposes of Products and Completed Operations. The inclusion of the City as additional insured shall be for coverage only on a primary basis for liability coverage, and no coverage shall contain a policy or other restriction or attempt to provide restricted coverage for the City, whether on an excess, contributory or other basis regardless of any other insurance coverage available to the City.

3. **CONTRACTOR'S INDEMNITY – CONTRACTUAL LIABILITY INSURANCE**

- A. To the same extent as specified for minimum coverage requirements in Section 2 above, the required insurance shall include contractual liability coverage to include indemnification and hold harmless agreements and provisions in the related Contract Documents, specifically including the following provision:
- (1) To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the City, its officers, agents, employees, volunteers and consultants from and against any and all claims, damages, losses, costs, and expenses, including but not limited to attorney's fees and costs arising out of or related to the Contract or the Contractor's activities, errors, or omissions related to the Contract including liabilities or penalties imposed by applicable, law, rule or regulation in connection therewith; provided that such claims, damages, losses, costs, and expenses, including but not limited to attorney's fees and costs:
 - is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use therefrom, and
 - is caused in whole or in part by any act or omission of the Contractor, any subcontractor, agent, officer, employee, or assigns of the same or by anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in whole or in part by a party indemnified hereunder.
 - (2) Such indemnification shall not be construed to negate, abridge, limit or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this section.
- B. In any and all claims by any employee (whether an employee of the Contractor or subcontractor, or their respective agents or assigns by anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable as an employer) in whole or in part against the City, its officers, agents, employees, volunteers or consultants, the above indemnification shall not be limited in any way by the amount of damages, compensation, benefits or other contributions payable by or on behalf of a the employer under Worker's Compensation statutes, disability benefit acts, or any other employee benefit or payment acts as the case may be.

- C. The obligations of indemnification herein shall not include or extend to:
- (1) Any outside engineer's or architect's professional errors and omissions involving the approval or furnishing of maps, drawings, opinions, reports, surveys, change orders, designs or specifications within the scope of professional services provided to the City and related to the Contract; and
 - (2) Any claims arising out of the negligence of the City to the extent the same is the sole and proximate cause of the injury or damage so claimed.
- D. In the event of any litigation of any such claims shall be commenced against the City, Contractor shall defend the same at Contractor's sole expense upon notice thereof from the City. Contractor shall notify the insuring company that the City reserves and does not waive any statutory or governmental immunity and neither Contractor, nor Contractor's counsel whether employed by Contractor or by an insurer on behalf of the Contractor shall waive such defenses or enter into any settlement or other disposition requiring waiver of any defenses or immunity of the City without the express written consent of the City.

4. CONTRACTOR'S INSURANCE FOR OTHER LOSSES.

- A. Contractor shall assume full responsibility for all loss or damage from any cause whatsoever to any tools owned, rented or used in connection with the Contract including any tools, machinery, equipment, storage devices, containers, sheds, temporary structures, staging structures, scaffolding, fences, forms, braces, jigs, screens, brackets, vehicles and the like owned or rented by Contractor, or Contractor's agents, subcontractors, suppliers, or employees.
- B. In connection with the above, Contractor shall cause or require any applicable insurance related to physical damage of the same to provide a waiver of a right of subrogation against the City.

5. NOTIFICATION IN EVENT OF LIABILITY OR DAMAGE.

- A. The Contractor shall promptly notify the City in writing and provide a copy of all claims and information presented to any of Contractor's insurance carrier/s upon any loss or claim or upon any occurrence giving rise to any liability or potential liability related to the Contract or related work. The notice to the City shall include pertinent details of the claim or liability and an estimate of damages, names of witnesses, and other pertinent information including the amount of the claim, if any.
- B. In the event the City receives a claim or otherwise has actual knowledge of an any loss or claim arising out of the Contract or related work and not otherwise known to or made against the Contractor, the City shall promptly notify the Contractor of the same in writing, including pertinent details of the claim or liability; Provided, however the City shall have no duty to inspect the project to obtain such knowledge, and provided further that the City's obligations, if any, shall not relieve the Contractor of any liability or obligation hereunder.

6. PROPERTY INSURANCE/ BUILDER'S RISK.

- A. The Contractor shall provide property insurance (a/k/a Builder's Risk or installation Floater) on all Projects involving construction or installation of buildings or structures and other projects where provided in the Special Provisions. Such insurance shall be provided in the minimum amount of the total contract sum and in addition applicable modifications thereto for the entire work on a replacement cost basis. Such insurance shall be maintained until the City completes final acceptance of the work as provided in the Contract. Such insurance shall be written and endorsed, where applicable, to include the interests of the City, Contractor, Subcontractors, Sub-subcontractors in the related work. The maximum deductible for such insurance shall be \$5,000 for each occurrence, which deductible shall be the responsibility of the Contractor. Such insurance shall contain a "permission to occupy" endorsement.

- B. All related Property Insurance shall be provided on a "Special Perils" or similar policy form and shall at a minimum insure against perils of fire including extended coverage and physical loss or damage including without limitation or duplication of coverage: flood, earthquake, theft, vandalism, malicious mischief, collapse, and debris removal, including demolition whether occasioned by the loss or by enforcement of applicable legal or safety requirements including compensation or costs for City's related costs and expenses (as owner) including labor required as a result of such loss.
- C. All related Property Insurance shall include coverage for falsework, temporary buildings, work stored off-site or in-transit to the site, whether in whole or in part. Coverage for work off-site or in-transit shall be a minimum of 10% of the amount of the policy.
- D. The Contractor's Property Insurance shall be primary coverage for any insured loss related to or arising out of the Contract and shall not be reduced by or coordinated with separate property insurance maintained by the City.

SPECIAL PROVISIONS FOR COMMODITY TERM CONTRACTS

CITY OF LINCOLN, NEBRASKA PURCHASING DIVISION

1. ESTIMATED QUANTITIES

- 1.1 The quantities set forth in the specification document are approximate and represent the estimated requirements of the City for the contract period.
- 1.2 Items listed may or may not be inclusive of City requirements for this category.
- 1.3 Category items not listed, but distributed by bidder are to be referred to as kindred items. Kindred items shall receive the same percentage of discount or pricing structure as items listed in the specification document.
- 1.4 The unit prices and the extended total prices shall be used only as a basis for the evaluation of bids. The actual quantity of materials necessary may be more or less than the estimates listed in the specification document, but the City shall be neither obligated nor limited to any specified amount. The City will, if possible, restrict increases/decreases to 20% of the estimated quantities listed in the specification document.

2. CONTRACT PERIOD

- 2.1 The material shall be delivered as ordered during the contract period, beginning from the date of contract and ending one (1) year from that date, or as otherwise indicated on the proposal form.
- 2.2 The City is interested in a one (1) year contract, with the option to renew for no more than **two** (2) additional one (1) year renewals. Bidder must indicate on the proposal form if extension renewals are an option. By mutual consent of both parties it is understood and agreed that the contract may be renewed only at the same prices and/or under the same conditions governing the original contract; and any request for an increase in price or a change in the contract conditions shall be interpreted as a request not to renew the contract at the end of the current contract period.

3. BID PRICES

- 3.1 Bidders must state on the proposal form if the bid prices will remain firm for the full contract period; or if the bid prices will be subject to escalation/de-escalation.
- 3.2 **Escalation/De-escalation Clause:** In the event that prevailing market conditions warrant an adjustment in bid prices contained in the contract, the following escalation/de-escalation clause shall be the only clause applicable or acceptable to the City:
 1. Contractor shall give written notice to the Purchasing Agent of any proposed changes from contract prices not less than thirty (30) calendar days prior to the effective date of said price changes.
 2. Such notice must be accompanied by a certified copy of the supplier's advisory or notification to the contractor of price changes.
 3. No price escalation will be authorized in excess of the amount of the increase referred to on the supplier's notice.
 4. The approved price change shall be honored for all orders received by the contractor after the effective date of such price change.
 5. Approved price changes are not applicable to orders already issued and in process at time of price change.
 6. The City reserves the right to audit and/or examine any pertinent books, documents, papers, records or invoices relating directly to the contract transaction in question after reasonable notice and during normal business hours.

7. The Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interests of the City.
8. If in the opinion of the Purchasing Agent any proposed increase is found unacceptable, the Purchasing Agent reserves the right to cancel the contract upon thirty (30) calendar days written notice.
9. Contractors must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Contractor will put the Purchasing Agent on the mailing lists for such publication so that the Purchasing Agent can monitor said changes. Such membership will be at no cost to the City.

4. CONTRACT AWARD NOTIFICATION

- 4.1 The Purchasing Division will issue a Contract Award Notification to all successful bidders. Such contract award notification will incorporate the City's specifications, and may incorporate the bidder's specifications.
- 4.2 No action need be taken by the contractors at time of receipt of such Contract Award Notification.
- 4.3 Orders for materials will be made as needed by the various City Departments.

5. QUARTERLY REPORT

- 5.1 The contractor shall provide to the Purchasing Agent a quarterly report, showing all purchases made under the terms and conditions of the contract.
- 5.2 Such quarterly report shall itemize the following information:
 1. Each ordering department.
 2. Items and quantities purchased by department.
 3. Total dollar amount of purchases by department

6. TERMINATION OF CONTRACT

- 6.1 This contract may be terminated by either party upon thirty (30) days prior notice in writing to the other party. The Owner may terminate this contract immediately, under breach of contract, if the Contractor fails to perform in accordance with the terms and conditions. In the event of any termination of contract by the Contractor, the Owner may purchase such supplies and/or services similar to those so terminated, and for the duration of the contract period the Contractor will be liable for all costs in excess of the established contract pricing.